

Tŷ Afon, Ffordd Bedwas
Bedwas, Caerffili,
CF83 8WT

029 2085 9696

Tŷ Afon, Bedwas Road
Bedwas, Caerphilly
CF83 8WT

www.hefcw.ac.uk

Cyngor Cyllido Addysg
Uwch Cymru
Higher Education Funding
Council for Wales

hefcw

24 January 2020

Ms Lynne Neagle AM
Chair
Children, Young People and Education Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

Dear Ms Neagle

Post legislative scrutiny of the Higher Education (Wales) Act 2015

We write to you in response to the Children, Young People and Education Committee's December 2019 report on the post-legislative scrutiny of the Higher Education (Wales) Act 2015. We welcome the report and its findings and have set out below responses to a number of recommendations that impact directly on HEFCW.

Recommendation 6. *That the Welsh Government ask HEFCW to share any key findings or actions that emerge from the review of sector governance currently being undertaken by Gillian Camm on behalf of providers.*

Although funded by HEFCW, the sector governance review was commissioned by Universities Wales. It is intended that the findings of the review will be published when the report has been finalised. We expect the report to be published by early spring and we will arrange for it to be shared. HEFCW will also be assisting in the development of a bespoke Governance training programme to be delivered to the Governing Bodies of Welsh universities.

Recommendation 9. *That HEFCW provide a copy of any evaluations of fee and access plans it has conducted to date.*

As we set out in our evidence to the committee, we have concerns about the effectiveness of fee and access plans as a mechanism. We have monitored compliance with, and completed an initial evaluation of, each of the 2017/18 fee and access plans, the first plans to be approved under the legislation. Improving equality of opportunity is a long-term agenda and fee and access plans have not yet been in place long enough to enable institutions to demonstrate effectively the outcomes of their activities. Our evaluation of the 2017/18 plans will form part of a benchmarking exercise to assess progress. We will report on the outcomes of the evaluation of the 2017/18 fee and access plans through our annual regulatory report which is due to be submitted to Welsh Government by 31 March 2020. As a result of our monitoring and evaluation we commissioned [Advance HE](#) to develop an approach to support institutions to evaluate their plans effectively. As part of the

Mr David Allen
Cadeirydd/Chair

Dr David Blaney
Prif Weithredwr/Chief Executive



governance training programme we will ensure that governing bodies are made aware of our continuous improvement agenda for fee and access plans and the role of governing bodies in that.

Recommendation 10. *That the Welsh Government work with HEFCW and other stakeholders toward the aim of identifying how the secondary legislation made under the 2015 Act in relation to fee and access plans can be amended to*

- *reduce their administrative burden as far as possible*
- *strengthen their effectiveness.*

We have already begun to strengthen fee and access plans whilst minimising burden on institutions, in so far as the legislation allows. Our guidance to institutions applying for a 2020/21 fee and access plan includes a new application form in an attempt to improve accessibility, reduce the burden over the long term, as well as to make the plans more effective. We have discussed these changes with regulated institutions who responded positively. It is our intention that the plans, whilst of a year's duration, will set milestones and targets beyond the year to which they relate. Our work to support institutions to evaluate their plans more effectively should prove to be beneficial in the long term.

We welcome the opportunity to identify further opportunities to work with Welsh Government and other stakeholders to strengthen the plans' effectiveness and reduce the burden on institutions.

Recommendation 12. *That the Welsh Government amend its specific course designation policy so that it takes into consideration a wider and more reasonable concept of student interests than the current "threshold" model of course quality, financial sustainability and "public good" (defined in practice in HEFCW guidance as widening access.*

We fully support the principle that all providers should be investing a proportion of the student fee income they receive to support wider student interests, and that this should be the case regardless of the number of students receiving student support. Employability falls within our description of the public good and this year we have strengthened our expectation of those providers with courses already specifically designated to list the activities and services that they are investing into supporting their students. We also require providers to set out how they collaborate with their students to identify student priorities and how those priorities inform the provider's contribution to the public good. We will continue to review our guidance in order to encourage higher education providers to continue to support matters of the student interest. We will also continue to identify providers in our recommendations to the Minister for specific course designation where we consider that they have not met our expectations for delivering a contribution to the public good.

Our enhancements to the specific designation process will not detract from the importance of providers demonstrating that they are financially viable and provide good quality education.

Recommendation 15. *That the Welsh Government publish a draft tertiary education bill to allow stakeholders to engage with the details of the proposed legislation.*

We would welcome the opportunity to work with Welsh Government to discuss draft legislation prior to it being laid in the National Assembly. Our experience and expertise as a

sponsored body, regulator and funder of higher education can contribute to the development of the new commission and support achieving the vision for tertiary education, training and research in Wales.

Recommendation 16. *That the Welsh Government set out how it intends to ensure business continuity of the vital day-to-day functions of the current regulatory and funding bodies (such as making normal regular payments of funding to providers) during the transition to the new Commission.*

Recommendation 17. *That the Welsh Government explain how it intends to ensure that the corporate memories in HEFCW and the Welsh Government are not lost in the transition to the new Commission.*

Recommendation 18. *That the Welsh Government ensure that the tertiary education bill provides for suitable transition arrangements and that a shadow Commission is established as soon as practicable to help provide for a smooth transition to the new body.*

Suitable arrangements for the transition of HEFCW staff, as well as the Welsh Government staff affected, into the new Commission are of paramount importance to ensuring that the Commission retains the corporate memory and expertise of staff and that HEFCW can continue to operate effectively until the new Commission is fully operational. The retention of experienced and committed staff is the most important risk to address in effective business continuity plans. The retention of corporate memory invariably needs experienced people to convey it and to give meaning to records, plans and processes. Retaining experienced staff will require early confirmation of continuity of work, particularly for HEFCW staff, as HEFCW is the only organisation that will be disbanded as an organisation and therefore as an employer. Delaying these arrangements is also likely to have a negative impact on the well-being of HEFCW staff who will be uncertain of the details and quality of their future employment.

As members of the Human Resources and Organisational Development Project Board, we hope to have sight of, and contribute fully to, proposed arrangements as they are developed to help ensure a smooth transition. We consider we should already be members of the Programme Board, given our higher education expertise and the impact that these proposals will have on HEFCW staff and higher education in Wales and will keep pressing this point with the Welsh Government.

Yours sincerely



David Blaney

cc. Phil Boshier